

Key Provisions of Funding Guidelines

Local Government Stormwater Grants Program, FY 2008

DRAFT

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Acknowledgments and Program Development Assistance From Local Governments, Stakeholders, and Ecology Experts

The Governor’s Office, the Office of Financial Management, and the Washington State Legislature are recognized for vigorous and proactive support in the proposal and appropriation of funds for this program.

The Water Quality Program’s Financial Assistance Council established its own advisory taskforce of local government representatives and a representative from the Puget Sound Action Team. A Technical Advisory Taskforce was also formed with cross-representation with the Financial Assistance Council Taskforce and two other local government representatives.

The taskforces met several times, and staff used recommendations as it developed the final program. Staff also used recommendations provided by the Financial Assistance Council, which met twice during the development period.

Staff believe the program will be considerably more effective and better received by local governments because of the expertise, time, and energy of all involved in the development phase of this program.

Financial Assistance Council Taskforce	
Name	Representing
Nancy Aldrich	Richland, City of
Rick Blair	Sedro Woolley, City of
Don Gatchalian	Washington State Association of Counties and Yakima County
Kahle Jennings	Centralia, City of
Hal Thomas	Walla Walla, City of
Bruce Wulkan	Puget Sound Action Team

Technical Advisory Taskforce	
Kahle Jennings	Financial Assistance Council, Centralia, City of
Doug Navetski	King County
Dave Tucker	Kitsap County
Bruce Wulkan	Puget Sound Action Team

Ecology Staff	
Pat Brommer	Water Quality Program Financial Management Section
Steve Carley	Water Quality Program, Financial Management Section Supervisor
Dan Filip	Water Quality Program Financial Management Section
Bill Moore	Water Quality Program, Stormwater Policy Analyst

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Pat Brommer	Water Quality Program Financial Management Section
Steve Carley	Water Quality Program, Financial Management Section Supervisor
Alison Chamberlin	Water Quality Program Southwest Regional Office
Sarah Davenport-Smith	Water Quality Program Northwest Regional Office
Dan Filip	Water Quality Program Financial Management Section
Dan Farrell	Solid Waste Financial Assistance Program, Green Building Specialist
Emily Morris	Water Quality Program Financial Management Section
Ed O’Brien	Water Quality Program, Program Development Services Section

A complete list of the Financial Assistance Council members is available at:
http://www.ecy.wa.gov/programs/wq/council/FAC_Members_2007_Roster.pdf

Local Government Stormwater Grants Program, FY 2008

Key Provisions

(Reading these *Key Provisions* first will clarify the attached spreadsheet.)

Funding Program Purposes	<p>Local Government Stormwater Grants¹ - \$9 Million “for local governments to receive grants for ‘municipal stormwater programs,’ including but not limited to:”</p> <p>A. Implementation of Phase II municipal stormwater National Pollutant Discharge Elimination System (NPDES) permits</p> <p>B. Stormwater source control for toxics in association with clean-up of contaminated sediment sites</p> <p>C. Stormwater source control programs for shellfish protection districts where stormwater is a significant contributor</p>
Total Funds Available:	<p>\$9 million for grants to local governments appropriated by the 2007 Legislature.</p> <ul style="list-style-type: none"> • \$7 million - Puget Sound • \$2 million - Non-Puget Sound
Grant Ceiling:	<p>No ceiling. Designated local governments will receive an offer of up to \$75,000 and are encouraged to form partnerships to address issues of common concern and economies of scale.</p>
Match:	<p>There are no match requirements, as all designated local governments will receive an offer of \$75,000.</p>
(Designated) Local Governments² – Defined:	<p>Designated local governments are defined as: Any city, town, county, water-sewer district, public utility district, port district, shellfish district, irrigation district, conservation district, flood control district, or any other municipal corporation, or quasi-municipal corporation. Additionally, other political subdivisions authorized to levy special benefit assessments for sanitary or storm sewerage systems, domestic water supply or distribution systems, or road construction or improvement purposes that are charged with meeting one, or more, of the Funding Program Purposes are eligible.</p>
Allocation of Funds and Offer and Award Provisions:	<p>The Washington Legislature intended to provide money primarily for the objectives noted in the <i>Funding Program Purposes</i>. There are also serious concerns that the money is spent for such needed projects in the time allowed³. All local governments offered funds are considered to need immediate grant assistance to meet at least one of the Program Purposes. Therefore, an allocation of \$75,000 will be made to the “Designated Local Governments” in the following order, which is reflected on the attached spreadsheet:</p> <ol style="list-style-type: none"> 1. Primary Phase II Permit recipients not awarded grants under the <i>Phase II Stormwater Management Grants Program, FY 2006</i>, 2. Secondary Phase II Permit recipients, 3. All active Shellfish Protection Districts (see map and list appended) established under Chapter 90.72 RCW, which propose to develop or enhance a stormwater source control program. The order that shellfish districts are listed is by the two (2) of the six (6) Ecology’s Toxic Waste Cleanup Program’s “Areas of Aquatic Concern (AAC)” (Only 1 and 2 AAC’s are within of Shellfish Protection District boundaries). After listing these two districts, active districts are in the order of the year required to be formed. 4. Local governments covered by the Phase I municipal stormwater permit. <p style="text-align: right;"><i>(Continued)</i></p>

¹ (In 07-09 Operating Budget) Source of Funds: Local Toxics Control Account – State: \$7 million. - Puget Sound, \$2 million - Non-Puget Sound

² Derived (in part) from Title 84 RCW *Property taxes*, available at: <http://apps.leg.wa.gov/RCW/default.aspx?cite=84.33.035>

³ Because of Legislative budget provisions (07-09 Operating Budget) grant eligible work *must be completed* by **June 30, 2009**. Grants must be signed, and recipients must proceed no later than January 31, 2008.

(Continued)

5. Remaining funds, up to \$75,000 each, will be offered to prospective secondary Phase II permit recipients that submit a notice of intent by August 1, 2007 to accept a Phase II permit.

Tentative Schedule:

6. June 22-29, 2007: Offers will be made to Designated Local Governments. Offer letters will request that “Grant Acceptance Intent Notices (GAINS)⁴” be submitted and received on or before August 31, 2007, at 5:00 pm at:

Department of Ecology
 Water Quality Program
 Financial Management Section (Att: Shawna Beers)
 PO Box 47600
 Olympia, WA 98504-7600
sbee461@ecy.wa.gov
 Phone: 360.407.6502
 FAX: 360.407.7151

7. When grant offer letters are issued, all eligible activities will be enclosed with a sample “GAIN.”

8. Those designated local governments completing the “GAIN” will have until January 31, 2008, to sign the grant agreement.

9. If funds still remain after any of the following deadlines:

- a. **August 1, 2007: For prospective secondary Phase II permit recipients** to submit their Notices of Intent to accept a Phase II NPDES Permit
- b. **August 31, 2007: For submission of “Grant Acceptance Intent Notices”** (GAINS) or when designated local governments decline grant offers
- c. **January 31, 2008: Sign grants**

The Program Manager of Ecology’s Water Quality Program will have discretion to allocate funds for other needed projects. Multi-purpose projects with statewide or regional benefits or other project(s) consistent with the Legislative intent may be selected by the Water Quality Program Manager. The Program Manager may allocate other amounts of grants to **any** local government(s) (including, but not limited to those that were awarded grants under the *Phase II Stormwater Management Grants Program, FY 2006*), that propose to meet one or more of the *Program Purposes*.

Local governments not receiving adequate funding or those constrained by the June 30, 2009, timeline, are encouraged to apply for the competitive \$21.92 million Stormwater Management Implementation Grants Program, FY 2008.

For information on all Water Quality Program Financial Assistance Programs go to:
<http://www.ecy.wa.gov/programs/wq/funding/funding.html>.
At this page, the new Stormwater Management Programs for FY 2008 are found under “Special Programs.”

Workshops to be held

Two workshops will be held in Moses Lake and Tacoma, WA on July 10th and 11th, respectively, to explain both new stormwater grant programs and (for the Puget Sound Basin) the Reclaimed Water Grants Program. **(Please See Notice of Public Workshop).**

⁴ “Grant Acceptance Intent Notices (GAINS)” are distinguished from Notices of Intent only because many Phase II Stormwater NPDES permit recipients may have only recently submitted “Notices of Intent” to accept their permits.

Advantages of Partnerships	Designated local governments are <u>strongly</u> encouraged to form partnerships to address issues of common concern and economies of scale. Grants for multiples of \$75,000 will be issued to the “lead partner” who will collaborate and coordinate with other partners. Prospective recipients should recognize that other local governments in the areas may be of assistance. And local or regional citizen groups, environmental groups, etc., can also assist with stormwater management programs. Partnership grants are also efficient for both local governments and Ecology, because such grants may be more ably processed and administered.
Examples of Eligible Project include, but are not limited to:	All projects must meet stormwater management needs that protect or restore water quality. <ol style="list-style-type: none"> 1. Stormwater source control for toxics in association with clean-up of contaminated sediment sites. 2. Stormwater source control programs for shellfish protection districts where stormwater is a significant contributor. 3. Conducting inventories of stormwater sources. 4. Establishing and refining stormwater utilities (including stable rate structures, developing stormwater ordinances and regulations, initial staffing, and other capacity building activities to facilitate ongoing stormwater management needs). 5. Review existing and model stormwater regulations. 6. Mapping or geographic information systems of stormwater sources. 7. Source controls such as erosion control projects involving plantings, drain stenciling, inspections, and public information and communication. 8. Identification and removal of illicit stormwater discharges into municipal separate storm sewer systems. 9. Completing detailed plans, for example, general stormwater management plans, engineering reports or facilities plans (including financing options and choices). 10. For grant eligibility: other activities consistent with Legislative provisos for this program or local and regional stormwater management programs or permit compliance, which can be completed within the June 30, 2009, timeline.
Grant Scopes of Work	All grants in this program will have grant scopes of work that list all activities delineated to be grant eligible in <i>Project Eligibility and Examples</i> . Designated local governments will be asked to identify in their GAIN, if possible, “other activities consistent with permit compliance and other Legislative provisos that can be completed within the June 30, 2009, timeline.” The Water Quality Program Manager can approve alternative grant scopes of work as needed.
Required Activities:	All awarded grant funding must include: <ul style="list-style-type: none"> • Substantive Stormwater NPDES Permit planning or implementation activities or both • Shellfish Protection District Source Control Program planning or implementation activities or both • Stormwater source control for toxics in association with clean-up of contaminated sediment sites planning or implementation activities or both • Performance assessment • Community outreach and a report of findings
Assessment Provisions	All prospective grant recipients must conduct project performance assessments so they can assist Ecology in the “post project assessment.” These assessments are a qualitative and, where applicable, quantitative assessment of the success of the grant-funded activity (example: stormwater rates established or raised to \$30 per month to repay Ecology’s SRF loan from the FY 2010 funding cycle).
Share Findings	Circulating information about projects is very important to the program. Examples of media include, but are not limited to, newsletters and conferences, site tours, local forums, local Web pages, and Ecology Web pages such as <i>Water Quality Stories</i> and EPA publications such as <i>Water Talk</i> .
Disbursement of Funds	Funds will be disbursed in accordance with required performance measures negotiated in the agreement on a cost-incurred basis.
Progress Reports	Due quarterly, regardless of the amount of work completed, or disbursement requested.

Resource Information

For further information on this financial assistance program contact:

<p>Patricia Brommer Water Quality Program Department of Ecology 360-407-6216 E-mail: patb461@ecy.wa.gov, or</p>	<p>Dan Filip Water Quality Program Department of Ecology 360-407-6509 E-mail: dfil461@ecy.wa.gov</p>
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For information on this and other Water Quality Program financial assistance programs, see:
<http://www.ecy.wa.gov/programs/wq/funding/funding.html>

Legislative Citation:

From BASS, State of Washington, Office of Financial Management, 1G Local Government Stormwater Grants
Pages 35-37:

“Ongoing funding is provided for local governments to receive grants for municipal stormwater programs, including but not limited to implementation of Phase II municipal stormwater permits, stormwater source control for toxics in association with clean-up of contaminated sediment sites, stormwater source control programs for shellfish protection districts where stormwater is a significant contributor. Of this (\$9 million) amount, \$2 million is provided specifically to local governments that are located outside of Puget Sound. (Local Toxics Account-State)”

Shellfish Protection Districts:



Order Listed for Funding:⁵

#	Shellfish Protection District	County	Year Required
1	Samish Bay	Skagit	1995
2	Dungeness Bay (Lower Dungeness River), 2001	Clallam	2001
3	Port Susan (Lower Stillaguamish R),	Snohomish	1993
4	Drayton Harbor,	Whatcom	1995
5	Rocky Bay,	Pierce/Kitsap	1996
6	Portage Bay (Lower Nooksack River),	Whatcom	1998
7	Burley Lagoon,	Pierce/Kitsap	1999
8	Nisqually Reach,	Thurston	2001
9	Henderson Inlet,	Thurston	2001
10	Filucy Bay,	Pierce	2006
11	Annas Bay,	Mason	2006
12	Holmes Harbor,	Island	2007
13	Oakland Bay,	Mason	2007
14	Discovery Bay	Jefferson	2007

⁵ The order that shellfish districts are listed is by the two (2) of the six (6) Ecology's Toxic Waste Cleanup Program's "Areas of Aquatic Concern (AAC)" (Only 1 and 2 AAC's are within of Shellfish Protection District boundaries). After this delineation, **active** districts are in the order of the year required to be formed.

Tentative Schedule for Local Government Stormwater Grants, FY 2008

Milestone	Month in 2007/08									
	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC/FEB 07/08	
Recommendations & Tentative Decisions FAC Taskforce AND Technical Advisory Taskforce	Since early March 2007	→								
Recommendations from Financial Assistance Council** & management review		FAC 5/16/07 →	PMT 6/12							
Focus Sheet Preparation			→							
Guideline Preparation			→							
Offer Letters Issued			6/22-29							
Explanatory Workshops				7/10-11						
Deadline for "New" Secondary Permittees - LOI					8/1					
GAIN (Letter of Intent to sign grant)					8/31					
Request for Additional Proposals				Proportional at each milestone →						
Deadline for Signing Grant Agreement									1/31/08	